

WASHINGTON, D.C. – H.Con.Res 95, the Fiscal Year 2006 budget resolution, passed in the United States House of Representatives today by a party-line vote of 218-214. Representative Xavier Becerra (CA-31), the only congressional member from Southern California on the House Committee on Ways and Means voted against it citing reckless deficit spending, a drastic reduction in successful investments in education, health care, job training, and economic opportunities, and the fact that it uses Social Security trust fund dollars for costs that have nothing to do with Social Security.

Below are highlights from Rep. Becerra's Floor speech yesterday, March 16, 2005, detailing his objections to the budget resolution:

"First, I must comment that if things were so good, then why is it that we have parents of children with special needs decrying these budgets? Why is it that we have firefighters coming to us decrying this budget? Why are we seeing so many people saying that we have our priorities in the wrong place?

"Even though Social Security privatization is the president's number one priority, this Republican budget resolution hides the cost of the harmful effects of Social Security privatization. It refuses to include any details of the president's privatization plan and it further continues to spend every single cent of the Social Security surplus reserve on things other than Social Security. That means over the next 10 years under this budget that we have before us, \$2.6 trillion of worker contributions that are supposed to be dedicated to Social Security will be spent on something other than Social Security.

"Even with that being done, we still have deficits never seen before in this country. This year alone we will have the biggest deficit this country has ever seen, more than \$400 billion. That is more than \$1,000 on the head of each and every man and woman in this country.

"Many of us believe that we should save every single cent of the Social Security surplus, which this year alone will equal \$169 billion. But this budget spends every single cent of the \$169

billion coming in this year for Social Security on something other than Social Security. That is why so many Americans are so insecure about Social Security and insecure about what the president proposes to do about Social Security.

“Not more than two hours ago, one of the president’s cabinet secretaries, Secretary Elaine Chao of the Department of Labor, said before the [Ways and Means] Committee, ‘Social Security is not guaranteed.’

I asked the secretary, ‘Can you clarify? Do you mean in the future perhaps if we don’t do something to make it stronger, it won’t be guaranteed?’

“She just continued to say, ‘It is not guaranteed.’ That is why people today feel so insecure about what the president is proposing, especially with privatization, because he will not tell us what it will cost. We know it could end up costing some 46 percent in benefit cuts. We also know that it would require massive government borrowing, some \$5 trillion over the next 20 years.

“Where does all that money come from? The reason people are so insecure about Social Security is not because the system is not there for them, it is because we have leaders talking about changing it without giving us the facts. It is time for us in our budget documents to speak to the people, to give them the facts. This budget resolution does not do it. We should defeat it.”

The budget resolution largely mirrors the president’s budget proposal offered to Congress this past February. Important domestic priorities are sacrificed in order to cover for failed fiscal mismanagement of our nation’s economy over the course of the Bush Administration. Having already produced over \$2.2 trillion in additional debt since 2001, this five year budget plan will continue to use every penny of the Social Security trust fund to mask record deficits now and into the future. The budget contains \$68 billion in cuts that would hit Medicaid, pension guarantees, student loans, and human services, yet still manages to make room for over \$100 billion in new tax cuts, primarily benefiting the wealthiest Americans.

Becerra.house.gov